

Global configurations in multinational enterprises, duality, and the challenge of LGBT inclusivity in unsympathetic host countries within Africa

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**GLOBAL CONFIGURATIONS IN MULTINATIONAL ENTERPRISES, DUALITY, AND
THE CHALLENGE OF LGBT INCLUSIVITY IN UNSYMPATHETIC HOST COUNTRIES
WITHIN AFRICA**

John M. Luiz & Diana Spicer. The International Journal of Human Resource Management. Forthcoming.

1 INTRODUCTION

The growing expectations regarding business and human rights poses significant challenges to multinational enterprises (MNEs) operating in diverse settings especially where there is a ‘clash of values’ between their home and host countries. For example, a MNE from a socially liberal home country such as Sweden operating in a socially repressed host country such as Saudi Arabia. Companies spend vast amounts of time and resources developing their values as part of their vision and mission statements.ⁱ MNEs operate in multiple international locations which may result in conflict between their expressed value systems and how they are able to articulate them in different host countries. This is compounded where a host country has legislative restrictions prohibiting the manifestation of certain human rights, which may affect the ability of a MNE seeking to respect human rights, it sees as core to its value system. A particular example of this is as regards LGBT (lesbian, gay, bisexual, and transgender) rights where there is a significant divide between parts of the world where this is being pursued and other parts where there is growing antagonism towards LGBT issues. This tension is pronounced when it affects the ability of a MNE to respect the rights of its own employees as would be the case with LGBT employees working in hostile environments which is the focus of our paper.

With increasing levels of globalization, changing economic structures and the rising demand for global labor, MNEs are recognizing the added value that employees bring to the organization regardless of their race, gender, sexual orientation, religion etc. (Best, Soyode, Muller-Camen, & Boff, 2015; Syed & Özbilgin, 2009). MNEs are therefore increasingly employing individuals with

progressively diverse cultural backgrounds both within a specific country as well as across geographical borders (Budhwar & Sparrow, 2002). Inclusivity in the global workplace is a complex issue, but LGBT inclusivity in particular, presents its own unique set of challenges as a result of the polarized divide worldwide between countries where recognition and acceptance of LGBT rights is increasing, and those where it is socially taboo, illegal, or in some extreme cases, even punishable by death. Where LGBT rights are protected in a home country and endorsed in corporate values, it may be difficult to ignore abuses in a subsidiary host country. However, by acting to protect the rights of an employee in a country where LGBT rights do not exist, human resources (HR) managers could jeopardize not only the safety of the employees and their family, but also the local reputation of the business. As a global MNE operating in different countries around the world, it is highly likely that at some point in time, the company will be operating in countries that are distant with regards to LGBT legislative rights and/or social acceptance. This has both scholarly and managerial importance.

MNEs need to understand the consequences of having a global LGBT policy that is set within a particular cultural and institutional framework, which is often both different and contradictory to that of their international subsidiaries. The research highlights the difficulty MNEs have in reconciling their global corporate values and policies with local socio-cultural environments and legislative requirements, and the invisibility of LGBT employees. There is a delicate balancing act of managing their international reputation and making sure they are able to operate within different climates, while guarding the rights and wellbeing of their employees. This creates a tension within the MNE that has been described as a duality representing an amalgam of paradoxes, and dilemmas of competing values (Ashforth & Reingen, 2014; Graetz & Smith, 2008; Ollier-Malaterre & Foucreault, 2017; Smith & Lewis, 2011; Tsoukas, 2017).

Our central research question asks how MNEs reconcile their corporate values in host countries where local norms and laws explicitly discriminate against the human rights of their LGBT employees.

Within this we identify three research sub questions. To what extent and how do MNEs align their HRM policies and implementation across host countries as regards their LGBT employees? What are the challenges that MNEs face in ensuring their LGBT employees are not discriminated against in their host country subsidiaries? What policies do MNEs put in place in host countries where local norms and laws explicitly discriminate against LGBT employees? Our research is qualitative and exploratory in nature and focuses on host countries in a region which has been particularly intolerant towards LGBT rights, namely Africa.

We build on existing literature and make several contributions. First, in terms of theories of duality in how MNEs reconcile these dilemmas from both an employee and a company perspective (Tempel et al., 2006). Second, we contribute towards the global configuration literature in international HRM as regards global standardization and national differentiation of HRM practices (Dickmann, Müller-Camen, & Kelliher, 2009; Edwards, 2011; Edwards, Sanchez-Mangas, Bélanger, & McDonnell, 2015; Ferner, Edwards, & Tempel, 2012). A key differentiator of our paper is that our cases cover a range of host countries with different institutional frameworks and given the fact that they are developing countries, where the scale of the cultural or institutional distance between home and host countries are likely to be larger, this allows us to examine the difficulties of the transfer of HRM practices to these sites. In this way we respond to prior work by Almond et al. (2005) and Edwards et al. (2016) to examine these challenges in the context of developing countries. Third, we embed our analysis of localization within institutional theory and the extremity of our context allows us to develop key insights as to the impact of institutions in this regard (see Dickmann, Parry, & Keshavjee, 2017; Luiz, Stringfellow, & Jefthas, 2017). Lastly, we integrate the above theoretical contributions into the analysis of international HRM of LGBT employees in hostile contexts, and the uniqueness of the subject matter and the context allows for the development of our existing knowledge base and the development of practical contributions in such contexts.

2 LITERATURE REVIEW

2.1 HUMAN RIGHTS AND INTERNATIONAL HRM WITHIN MNEs

The notion of whether business should have human rights obligations has not been uncontested (see Santoro, 2015 for a discussion in historical perspective).ⁱⁱ But there is a growing consensus that “we have come to the end of the beginning of the discussion of business and human rights and are now in the phase of defining what the rules are” (Posner, 2016, p. 705). How corporations view and formulate their human rights responsibilities in itself reveals a diversity of what McPhail and Adams (2016, p. 660) call “grammars”: the grammar of state compliance; supra-state standards; enlightened engagement; or realization. These grammars range from the first which involves respecting the sovereignty of governments; to supra-state compliance which infers applying super-norms of human rights standards in a way that does not contradict national legislation; to enlightened engagement which indicates an overt involvement in the process of government; and finally realization where the rights are tied to a core function of business.

The focus of this paper is with how MNEs protect the human rights of their employees and promote inclusivity across their multiple host countries through their HRM practices.ⁱⁱⁱ A MNE’s HRM policies must be mindful of the cultural and social differences between the local context of host countries and that of their home countries (Davis & Luiz, 2015; Dickmann, Parry, & Keshavjee, 2017; Edwards et al., 2010). Balancing the localization of HRM practices with the need for global integration is one of the most crucial challenges that MNEs face (Ferner et al., 2011; Thite, Wilkinson, & Shah, 2012). The transfer of HRM policies from MNE headquarters across a cultural divide is fraught with problems, especially if the parent company wishes to achieve consistency of policies across the company (Edwards et al., 2013). Conflicts and clashes of culture will inhibit organizational performance and need to be successfully resolved (Ollier-Malaterre & Foucreault, 2017). The parent

company has three primary choices when deciding what approach will best suit the environment (Barlett & Ghoshal, 1989):

- a. High internal consistency where the corporate HRM system is almost fully implemented in the subsidiary.
- b. Low internal consistency where the local demands and culture dominate over the corporate HRM systems and policy.
- c. A worldwide HRM system which is constantly adapted as new subsidiaries are opened. This HRM system combines the characteristics of the parent company with those of the various subsidiaries and allows for some variance, but maintains a consistent philosophy and procedure, which is common to all.

The choice of approach is influenced by a range of factors including the resources available and the institutional environment at both the home and host country level (Dickmann, Parry, & Keshavjee, 2017; Edwards et al., 2016; Ferner et al., 2011; Luiz & Visser, 2014). From an institutionalist perspective, the focus is on the institutional distance between the home and host country, and how this affects the standardization of HRM practices. If the host country's environment is similar to that of the parent company, then the match between HRM policies is likely to be closer, with the alternate being true for a parent and subsidiary which have largely disparate cultures and institutions. Research shows a more varied picture with contrasting results: "the overall tendency of HRM practices [is] more likely to closely resemble local practices" (Rosenzweig & Nohria, 1994, p. 231) versus "there is evidence of standardization in the nature of practices across countries" (Edwards et al., 2013, p. 997) and still others have argued that MNEs "balance the standardization and differentiation of their practices" (Edwards et al., 2013, p. 997).

How this plays out as regards the fundamental human rights of employees within MNEs is an important extension to this discussion. A company's statement of core values may explicitly reference

human rights and inclusivity but then find itself operating in countries where these values clash with local norms and laws. Trying to impose corporate values from the top whilst ignoring local institutions can elicit strong reaction. There may therefore be a tension between the need for the MNE to maintain legitimacy both at home and in its host locations. There are forces pushing towards the adoption of “local practices and become isomorphic with the local institutional context” (Ozbilgin, Syed, Ali & Torunoglu, 2012, p. 347), and other forces pushing it towards remaining true to its corporate values and its home country compliance system.

Duality theories propose that firms face conflicting pressures both towards and away from local practices as they attempt to reconcile host and home country conditions (Ashforth & Reingen, 2014; Graetz & Smith, 2008; Tempel et al., 2006; Tsoukas, 2017). On the one hand, MNEs strive to homogenize activities across their locations so as to support a global strategy, but on the other hand they face countertendencies to take cognizance of local differences (Edwards et al., 2016; Ferner et al., 2011), and the outcome is often a compromise that incorporates both national and global dimensions (Brewster, Wood, & Brookes, 2008, p. 324). Poole and Van de Ven (1989) identified four strategic responses to these paradoxes, namely: 1) acceptance, keeping tensions separate and appreciating their differences; 2) spatial separation across different organizational units; 3) temporal separation as they choose one side at a point in time and then switch to another; and 4) synthesis, whereby they seek a view to accommodate the opposing poles (Smith & Lewis, 2011, p. 385). No one response can ensure an ideal outcome of unity and instead it becomes an issue of managing the duality and a hybridization approach may be the outcome whereby parent practices are negotiated with local norms as shaped by the institutional context of the host country (Chung, 2015, p. 19).

We proceed to examine a particular tension as regards human rights which arises within MNEs, and one which is gaining in importance, namely LGBT rights. This is not only of organizational importance but also one which affects the very basic rights of many LGBT staff with MNEs.

2.2 LGBT RIGHTS AND INTERNATIONAL HRM WITHIN MNES

Consensual same-sex relations are explicitly illegal in one third of the world's countries and is unclear as to legality in another eight – see Table 1. Broadly speaking we see growing acceptance of homosexuality in North America, the European Union and Latin American countries but widespread rejection in the Middle East, Africa, and some Asian countries. Even in countries where same-sex relations are legal, LGBT individuals may not be explicitly protected against workplace discrimination or harassment, have the right to marry or adopt, or be legally protected against hate crimes. They may have no legal recognition of their relationships with partners, or parental rights, and may face restrictions on immigration rules allowing same-sex partners to apply for visas or residency, and legal restrictions on LGBT organizations. LGBT people may be prevented from networking with one another, or indeed may be prevented from openly discussing their personal lives for fear of contravening laws prohibiting the “promotion” of homosexuality (Ashworth, Lasko, & Van Vliet, 2012, p. 4).

INSERT TABLE 1 HERE

Discrimination against LGBT individuals remains widespread. In addition to inadequate legal protection, traditional heterosexual social structures and norms, homophobia, and fundamentalist religious beliefs can lead to a culture of discrimination, harassment, and violence (Bell et al., 2011; Muñoz & Thomas, 2006). Studies show that discrimination manifests in many different guises, from wage discrimination (Hammarstedt, Ahmed, & Andersson, 2015; Laurent & Mihoubi, 2012), harsher evaluations (Shepherd & Patzelt, 2015), fewer responses to job applications (Tilcsik, 2011), less opportunity for career advancement (Theodorakopoulos & Budhwar, 2015), to locker room corporate homophobia (Gregory, 2011).

As the visibility and legal recognition of LGBT rights in the global domain increases, so too does the importance of managing LGBT diversity and equality in the workplace. The global divide with respect to the differing cultural values surrounding LGBT legal rights and social acceptability is likely to produce HRM challenges for MNEs in the future and this issue requires further consideration. DeNisi, Wilson, and Biteman (2014) argue that diversity is becoming more complex and multi-dimensional and that more research dealing with LGBT issues in the workforce needs to be undertaken because there are still such vast areas where these individuals face criminal records and even the death penalty.

Aside from any of the moral, social or legal arguments that can be made for creating an inclusive work environment where LGBT workers feel they can be open, heard, and protected, research has shown that the business also gains positive benefits from doing so (Badgett, Durso, Mallory, & Kastanis, 2013; Bell et al., 2011; Huffman et al., 2008; McFadden, 2015; Rothausen et al., 2017). Colgan et al. (2007, p. 602-603) find that when a workplace is perceived to be a LGBT friendly environment, the impact on all employees is described as: happiness and openness, freedom to speak, greater confidence, feel supported, work productivity and effectiveness, enhances enjoyment of job, and feel pride in and loyalty to organization. While the impact of a negatively perceived environment is: frustration, fear, exclusion, ostracism, self-censorship, difficulty concentrating, and desire to leave. These findings are echoed by a number of other studies, which state that employees experience improved job satisfaction, productivity, and organizational commitment in LGBT supportive environments (Bell et al., 2011; Huffman et al., 2008; Muñoz & Thomas, 2006). Research shows that both heterosexual and LGBT individuals actively seek out and are more engaged with inclusive organizations (Watkins, Smith, & Aquino, 2013).

The alignment of HRM policies and their implementation across host countries as regards the protection of rights for LGBT employees is complex. Legislation in host countries may explicitly

prohibit recognition of LGBT rights and benefits, whilst home country requirements may require non-discrimination. One particular manifestation of this challenge regards the expatriation of LGBT employees who may be employed in ‘sympathetic’ home countries but be deployed in ‘unsympathetic’ host countries. Challenges can include issues of personal safety, a lack of legal protection, unequal benefits or compensation, cultural issues such as social intolerance, exclusion, discrimination, or harassment, the absence of recognition for same sex partners and hence difficulty in bringing their family with them, and a lack of understanding of LGBT specific HRM issues within the local operation (Gedro, Mizzi, Rocco, & van Loo, 2013; McPhail et al., 2016; Mizzi, 2014).

Both when entering a new country, and when making decisions about global HRM policy implementation, MNEs will need to understand the legislative and social context of its host countries with regard to sexual orientation. Thus careful consideration needs to be given to the practical issues related to legal protection, compensation and benefits, as well as cultural and social norms for LGBT employees (Gedro et al., 2013). Furthermore, Paisley and Tayar (2016) using a social constructionist perspective of intersectionality show how different spheres of cultural context influence LGBT expatriates’ multiple identities and lead to convergent or divergent intersectionality. We therefore have situations where the MNE, the employees, and the expatriates may exist within this duality and intersectionality with multiple and competing identities within divergent contexts.

2.3 LGBT RIGHTS WITHIN AFRICA

We conclude the literature review with a short description of LGBT rights within Africa so as to provide some context to our study. Whilst anti-homosexual legislation in Africa has its roots in colonial history, there has in recent years been a renewed vigor in pursuing such legislation. This came to the fore in February 2014 when Uganda’s notorious Anti-Homosexuality Act was signed into law before being struck down by the Supreme Court. Presently 36 African countries criminalize sodomy, and 19 have either never had sodomy laws or have decriminalized homosexuality (only South Africa

recognizes gay marriage) (Ibrahim, 2015). Homosexuality has been portrayed as being un-African and a western import despite anthropological and historical evidence that reveals a diversity of attitudes towards sexual minorities in pre-colonial Africa. There is much research explaining the over-politicization of LGBT issues within Africa in recent times and the impact of nationalism, sovereignty, Christian conservatism and the role of the evangelical movement, traditional culture, and foreign intervention in fostering this anti-homosexual agenda (Barnard-Naude, 2015; Kaler, 2015).

Homosexuals are often portrayed as “half human, and as pigs and dogs and are therefore not entitled to the protections afforded by human rights” (De Vos, 2015, p. 39). This provides the backdrop to our study and the challenges that MNEs may face in operating in these environments which are often hostile towards LGBT rights and may affect their ability to provide an inclusive environment for their employees.

3 RESEARCH METHODOLOGY

The hesitancy of MNEs, both globally and at an individual subsidiary level, to participate in this type of study, as well as the need for an ethical, empathetic approach towards the participants and the information obtained, indicated that a qualitative approach would produce the best results. Qualitative research enabled us to perform a contextual investigation and allowed us to collect individual perspectives and insights from HRM professionals on their MNE’s global versus local policies as regards LGBT inclusivity, as well as to explore challenges that they had experienced within the cultural and social context of their host countries.

Fifteen semi-structured interviews were conducted utilizing a research guide (see Appendix one) across 10 MNEs using purposive sampling. These MNEs were selected using the following criteria. The study was limited to MNEs home-based in LGBT friendly countries, and operating in at least two LGBT unfriendly host countries within Africa. In the context of this study, we defined LGBT friendly

countries as countries which at a minimum provide some form of workplace protection and recognition of domestic partnerships. LGBT unfriendly countries are considered to be countries where same-sex relations are illegal and/or the social climate is particularly hostile to LGBT individuals based on the ILGA report (2015). We focused on African host countries because this is an international context which is generally under-researched, and African countries make up the single largest block of LGBT unfriendly countries as reported by the ILGA (2015). We limited our sample to MNEs with operations in at least a dozen countries and with employees exceeding 10,000 worldwide. The reason for this was that our focus was on the formal processes and policies and smaller companies were more likely to adopt ad hoc positions with a subject as focused as LGBT rights.

Our respondents were senior HR/diversity managers (see table 2 for an overview of the MNEs that participated and the position of the participants interviewed), who for the purpose of this study would yield the most relevant data with regard to HRM policies for LGBT employees.^{iv} Through various HR networks we made contact with the HR managers of these MNEs and through snowballing effects we were able to get access to additional HR managers in subsidiaries in other parts of Africa. Several MNEs refused to participate saying that the subject was too sensitive to discuss - this is a limitation of our work but the MNEs that did participate are large companies with substantial footprints in Africa. Furthermore, the frankness of the responses does not indicate that we have been compromised by getting “politically and socially correct” responses and we highlight in our analysis that respondents genuinely struggled with the topic and the questions we posed and the implications thereof.

INSERT TABLE 2 HERE

Interviews were conducted by us either in person or via Skype. Both before and after the interviews, company reports and policies were requested and studied to provide additional understanding of the LGBT environment at both host and home country level and to allow for

triangulation between the interview accounts and policy documents. The following measures were employed to ensure that the data collected for this study were credible and reliable: interviews were recorded with permission and transcribed verbatim; interviews with all respondents were conducted within a three months' time frame in an attempt to eliminate policy and environmental changes that could affect the comparability of the results; and where there was any confusion or the potential for misinterpretation of a statement that a participant made the respondent was contacted for validation and clarity.

Interview transcripts and notes were first checked to ensure that the content was accurate and to determine if there were questions or statements that needed to be clarified with participants in follow-up interviews. Our qualitative approach utilized thematic analysis to identify, organize, and provide insights into patterns of meanings and themes across our dataset (Braun & Clarke, 2012). The data was coded using NVivo software. We followed the recursive approach of Braun and Clarke (2012) and elaborated on by Vaismoradi et al. (2013) which involved:

- 1) Familiarizing ourselves with the data and identifying items of potential interest by reading and rereading data and noting initial ideas.
- 2) Generating initial codes through systematic data analysis across the dataset.
- 3) Searching for themes by collating codes into potential themes.
- 4) Reviewing potential themes by checking them in relation to the coded extracts and the entire dataset.
- 5) Defining and naming themes through ongoing analysis and refining the specifics of each theme and the overall story of the analysis.

6) Producing the report and utilizing compelling extract examples and relating these back to the analysis of the research question and literature.

Ethical considerations were of paramount importance as studies involving sexual orientation can be sensitive for both the company and its employees as individuals. Companies can come under scrutiny and criticism with respect to their HRM practices, from both a reaction to affirmative policies by homophobic sectors and from a lack of policies by pro-LGBT sectors. Adhering to strict ethical procedures was therefore essential when conducting this study. With this in mind the following procedures were followed.

a) Confidentiality: It was important to maintain anonymity for both the selected MNEs as well as individual participants. To protect the identity, neither the name of the company nor the names of individual respondents were recorded against interview transcripts. A record of names was matched to an interviewee number so that should we need to conduct any follow up inquiries, we were able to contact the relevant individual.

b) Informed consent and voluntary participation: All respondents participated on a voluntary basis. Before the interviews were conducted the nature and purpose of this study was fully explained to the relevant participants. They were able to make an informed decision about whether they wished to participate in the study or not. Furthermore, they had the option to decline to answer any questions which they felt would compromise their privacy or which made them uncomfortable.

c) Data management: Interview recordings and transcripts were stored on a secure password-protected device accessible only by the researchers.

4 RESULTS AND DISCUSSION

4.1 LGBT HRM POLICY AND DEVIANCE OF PRACTICE

One of the most complex challenges that MNEs face is balancing local and global requirements, specifically with regards to HRM (Edwards et al., 2016). Our MNEs differed with respect to how many global policies they had in place, as well as the degree to which global policies were prescriptive versus being used as a broad guide for local HRM policies. Despite the difference in how detailed global policies were, all of the companies employed global policies as a guideline, allowing subsidiaries to determine specific HRM policies and practices at a local level to varying degrees. Respondents at seven of the ten MNEs stated that their HRM organizational structures were largely decentralized, suggesting that the companies were under pressure to balance HRM practices that were responsive to, and appropriate for, local contexts with their global best practices (Brewster, 2012; Rosenzweig & Nohria, 1994). Whilst this result is different to that found by Almond et al. (2005) and Edwards et al. (2016) who see evidence of standardization in the nature of practices across countries within MNEs, they point to the possibility that their focus was on developed market economies and that the situation may be different in developing countries where the scale of the cultural and institutional distance between home and host countries results in less attempt to transfer practices to sites in these locations.

Respondents noted a tension between the necessity to be locally responsive with HRM policy when local institutional requirements clashed with core company values and this became apparent as regards LGBT policies. All the interviewees stated that their MNE operates in host countries that have environments that are not conducive to pro-LGBT policies and that this influences how, if at all, policy is made operational at a local level. All of our companies had a policy prohibiting discrimination but only three of the 10 multinationals (MNE 2, 3 and 4), actually had explicit policies that further referenced sexual orientation, sexual identification or LGBT rights from an HRM perspective. The implication of this is that these companies relied on tacit values, rather than explicit policy, with regard to sexual orientation and discrimination in the workplace.

The topic of sexual orientation was a sensitive issue for participants at host country level with respondents stating how difficult and delicate a subject it was and that it was not something that was raised in an organizational context very often. The HR manager for East Africa from MNE 1 explained how LGBT issues were not a very welcome or common topic in East Africa, and had yet to be raised in most African regions, while the West African HR manager stated that it was the first time he had had a conversation openly with someone working on this sensitive issue in multinationals. It was evident to us how uncomfortable many of the participants (specifically with five respondents at an in-country or regional level) were discussing what was felt to be a private issue, with them trying to find euphemisms or general ways to refer to same-sex relations. Instead of using words such as gay and LGBT which invoked discomfort, these managers used terms such as “those people”, “people who are that way”, and “somebody like that”. This raises the question of how companies can create and propagate HRM policies in environments where even discussing them would be considered highly culturally sensitive and often inappropriate in a work context.

A strong theme that came through is how important corporate values were although there were differences in terms of how these relate to local contexts. All of the respondents that were based at headquarters (HQ) had expectations of these values being propagated throughout the organization and, in so doing, preventing discrimination. At host country level, the responses were more ambiguous with two-thirds of them arguing that whilst corporate values were important, that companies needed to be mindful of local norms and values, and that company values could not be imposed without taking local institutions into consideration. Concern was expressed over the fact that while the home office have what they perceive to be a simple and clear set of values, policies and procedures, these do not always translate well at a local level and result in a dissonance between countries. Four respondents at HQ level expressed the view that in the ideal world core values should be non-negotiable but that, given the locations where they operated, this was not always possible and that the company had to “make the

best of it” and find ways of reconciling opposing forces of global values and local conditions. Figure 1 illustrates how the clash of values and norms between home and host countries results in a deviance of HRM practices. The effect of this is a duality at both an organizational level, where MNEs improvise with a nebulous synthesis and do not attempt to resolve the duality, and at an individual level, which we explore below.

4.2 CHALLENGES WITH RESPECT TO LGBT EMPLOYEES

MNEs face several difficulties as regards ensuring an inclusive environment for LGBT employees in unsympathetic host countries, especially in Africa, which we highlight below.

4.2.1 *INVISIBILITY*

It became apparent during the interviews that the hostile LGBT environment in Africa resulted in LGBT employees being invisible. They were not comfortable in raising problems associated with being LGBT for fear of not only workplace discrimination but the consequences within the wider society if this resulted in them being outed. This presented challenges to companies that wanted to be in a position to be supportive. One of the three companies to have an explicit LGBT policy, raised the point that it was likely that employees were still experiencing discrimination or other difficulties but were not forthcoming about it and choosing to remain invisible:

“I’d say the reality of what we see as a central system versus the reality of what people are experiencing on the ground is different. [...] So because of the cultural or legislative environment, people don’t necessarily feel that they are protected, so even if it’s not being raised to us as a specific case, I would say that my expectation [is that] there are people who don’t share about their sexual orientation or gender identity because they’re not certain that it’s safe to do so, whether it’s because of the internal environment, the external environment, or a mix of both.” – MNE 4, Global head of diversity and inclusion

An indication of the invisibility and silence of LGBT individuals came through in all of the interviews with the local or regional HR managers emphasizing that it was a private issue and clearly preferred for it to remain as such and indicated that it would be inappropriate in these local settings:

“So people might be that way, but they will not display what they are. So it’s quite hidden. And people tend to feel those things as personal issues, so it’s not something that they’re gonna raise or show. They will live with that in a very, very, very confidential manner.” – MNE 1, Head of HR for West Africa

The challenge of invisibility or silence is a common theme in the literature where individuals are not open about their sexuality for fear of discrimination or hostility, or where they are actively instructed to suppress the expression of their sexuality in the workplace. This is further pronounced in host countries where homosexuality is illegal because the consequences extend beyond the workplace and the fear is linked to potentially life-threatening repercussions. As an invisible minority, LGBT diversity promotion and management can be very challenging because it often requires some level of disclosure from employees (Clair, Beatty, & Maclean, 2005; Priola et al., 2014). This was illustrated when one of our respondents highlighted that their company policy was to provide domestic partner benefits to anyone in a committed long-term relationship, regardless of sexual orientation, but that LGBT employees in hostile host countries were not applying for these benefits because of the fear of being outed. Our respondent stated that if LGBT employees live invisibly and in a dualistic existence, whereby they maintain one life at work and another privately, then it becomes difficult for the company to respond and provide the appropriate benefits and support.

Not only is being lesbian, gay or transgendered taboo in many cultures, but even in more LGBT-tolerant countries, employees are often silenced in the workplace by what is considered to be normal (Bell et al., 2011; Bowen & Blackmon, 2003; King et al., 2014; Williams & Giuffre, 2011). Workplace

environments often still operate on heteronormative values, propagating heteronormative attitudes and expectations: “Heteronormative work environments contribute to create a climate of silence around homosexual topics and can silence LGBT individuals, forcing them to remain in the closet for fear of discrimination and isolation” (Priola et al., 2014, p. 490). Alongside invisibility, heteronormative attitudes came through from the companies interviewed with non-specific LGBT policy:

“But sexual orientation is not really something that comes up in a group values discussion because it’s not something that affects your work so why should we even discuss it?” – MNE 6, Head of HR for Africa

“I think slowly, really slowly, we’re beginning to accept people for who they are as long as they don’t try and invade my space or try and change me.” – MNE 5, Head of HR for Uganda

The way in which companies consider discrimination is frequently rooted in heteronormative thinking. Formal discrimination against LGBT employees includes not only firing, not hiring or overlooking employees for promotion or salary raises based on their sexual orientation, but also excluding them from benefits traditionally available to heterosexual employees such as family-related leave, insurance or partner benefits (Bell et al., 2011). But there are also more informal ways in which LGBT employees are marginalized. Even in gay-friendly organizations research suggests that gays and lesbians must appear “virtually normal” and indistinguishable from heterosexuals which further entrenches their invisibility (Williams & Giuffre, 2011, p. 553) and results in a dualistic existence with employees suppressing a core part of themselves and constructing multiple identities (bottom right hand part of figure 1) to navigate the organizational dualities.

4.2.2 *MANAGING A CONSISTENT INTERNAL CULTURE VERSUS COMPLYING WITH LOCAL LAWS*

The MNEs experienced difficulties where the corporate values and policies are at odds with the local culture and legislation of a host country. Respondents explained that they do not cross legal lines at a local level, no matter what the global policy and put security and wellbeing at a local level ahead of corporate policy. As regards LGBT issues, respondents at the head office made clear that the company policy was one where discrimination was not tolerated and tried to create environments where LGBT employees felt comfortable but acknowledged that this was not always translated to local subsidiaries.

“So even if you are [in a country] ... and there is a death penalty on homosexuality, the policy will still include the words that we do not discriminate based on sexual orientation, gender identity and gender expression. We will not adapt our policy to local legislation because local legislation may say that homosexuality is illegal, it doesn’t say that it’s illegal to include these words in the policy.” – MNE 2, Global LGBT diversity program manager

“A person may not feel very comfortable socially, as in outside of work, but when they come into the professional environment they know that it’s ok to bring their whole self to work, and that the [company] supports them in their diverse backgrounds and views. So I think that’s a hugely important thing that multinationals can – all multinationals – can engage in that kind of activity and make sure that you don’t, as a company, say ‘we have one culture internally in this country, and another culture in that country’.” – MNE 3, Co-chair of the company LGBT network

There appears to be a disconnect and tension between global policy and implementation and between corporate culture as cited by the respondent at MNE 3 above. At a corporate level, the leadership argued that its policy of non-discrimination and support for LGBT employees and their safety was important and they could cite examples. Yet, when interviewees in local, more operational

functions were pressed for details, it became clear that they operated more in the spirit of the local norms than the global corporate ethos. The Head of HR at MNE 5 in Uganda argued it would not provide family leave for recently married gay employees as it was not recognized in Uganda and this would set a precedent for other non-married heterosexuals. Likewise, a director at MNE 7 explained that they would not assist a same-sex partner with visa and immigration issues in countries where it is not recognized “but there’s nothing stopping them from doing that themselves and still accompanying the assignee. We wouldn’t get in the way of that.” This confirms some of the challenges raised by McPhail et al. (2016) in the deployment of LGBT expatriates although our research provides an extreme context for such analysis.

Our research demonstrates a duality between global company values and local values and senior global managers reconciled this tension by stating that the global policy stood irrespective of whether it was enforceable at local level. This allowed this tension to be managed but whilst this may be a way of accommodating this contradiction corporately it does not address the duality experienced by the LGBT employees themselves. LGBT individuals are thereby forced to live in a hostile country environment, an unsympathetic local company setting, and in an inclusive, yet unenforceable global company policy setting. The result, in figure 1, is an organizational synthesis which further entrenches the duality, invisibility, contradiction, and multiple identity construction at an individual level.

4.2.3 REPUTATIONAL AND REGULATORY CONSEQUENCES

In a situation where local environments and global corporate cultures are not aligned, our participants showed concern about their company’s reputation at a local level and this too drives their decisions to operate within the local institutional frameworks. Even in companies which prided themselves on inclusivity there was a concern that being too overtly LGBT friendly could result in

local retribution from state agencies in some African countries. They therefore avoided deploying employees to work with these agencies if they were “obviously gay” so as not to antagonize them:

“We have a legal exposure, our regulators would be watching and, you know, what are we doing and would it potentially damage our reputation with them if we’re sending somebody who they feel we’re being disrespectful or inappropriate putting on assignment and that certainly wouldn’t be the message we would want them to be receiving.” – MNE 4, Global head of diversity and inclusion

In the most extreme of these circumstances, a local subsidiary had been threatened with the loss of their operating license where they were assessed as not meeting “their minimum standards in terms of local cultural norms and their religious practices” (MNE 9, Global Chief of HR). In another instance, a MNE was “harassed” to change a statement that they “do not discriminate on any basis including sexual orientation” to a one that specifically excluded sexual orientation:

“I was in Uganda and on our website encompassed the non-discrimination aspect of our culture. Then I actually got challenged. They were planning to take it up as an issue, because we are being seen to be explicitly gay-friendly by saying that on our site. I had to review the website because they actually took it up. So then I decided not to be confrontational and I decided to be a bit more silent. I didn’t want to create unnecessary friction in the local community at the time. They were interested in making it more difficult for us to do business locally. We would run a risk of alienating the population within that country.” – MNE 5, Head of HR for Africa

Further to this point, the same respondent mentioned that the potential reputational implications of bad press in this situation (i.e. if being LGBT supportive) could not only impact their standing as a

company, but also potentially the ease with which they would be able to do business as it could also affect their relationship with suppliers, regulators, and governments.

4.2.4 *EXPATRIATES*

The rights of LGBT expatriates represent a particular challenge to MNEs (McPhail et al., 2016) as employees are often deployed to host countries with very different norms to that of the home country. All of the participating MNEs make use of expatriates and, with the exception of MNE 8, they all provide either some form of cultural orientation/pre-departure training or pre-commitment site visits to the proposed assignment country. Participants from four of the MNEs discussed problems when trying to make LGBT expatriate placements in subsidiary companies due to a ‘clash of norms’ where the expatriate would not “fit into” the local culture or where local legislation made it impossible, whilst participants from three MNEs stated that they did not factor LGBT issues in at all when making placements and that this was a private matter which should be handled through a self-selection process. One particular case bears repeating:

“We did have one situation when someone was about to go through a sex change and we were going to assign him to Iran in 2001. And I remember because she wanted to use the ladies toilets and then it was not allowed and it got escalated to me and then eventually it came out that she had already changed her ID at home affairs so she brought proof to show that she was no longer a man she is a woman. In a country like this it would be an issue because they were already on hormone treatment but still technically had male private parts and then she wanted to go, but based on advice we said to her it won’t be a good idea for your safety. We can’t guarantee your safety even at the airport. We also explained to her that she should do a bit of research about the country so that she could see that the country was problematic and it was not just coming from us, and she eventually accepted it wasn’t safe.” – MNE 9, Global Chief of HR

Since many expatriate placements are based on a need for a specific talent, skills transfer or for career development for an individual (Andresen, Bergdolt, Margenfeld, & Dickmann, 2014; Baruch, Dickmann, Altman, & Bournois, 2013; Caligiuri & Colakoglu, 2007; Dickmann, Parry, & Keshavjee, 2017; Stahl, Miller, & Tung, 2002), this situation is not ideal for MNEs and often the end result is having to accept that the position is not going to be filled by the first choice of candidate. The more typical situation is one where a LGBT partner is not able to obtain a visa to accompany their partner on assignment. Two of the MNEs worked around this and their HR managers explained that they have had situations where partners were flown out of the country every month because they could only secure 30 day visas and so had to fly to another country in the region to be able to renew their visas and this continued for several years.

4.3 LGBT SUPPORTIVE PRACTICES & POLICIES

Some of the MNEs within this research utilized practices and policies to mitigate the sort of challenges discussed above and attempted to promote LGBT inclusivity, which we present below.

a) Same sex partner benefits: In order to achieve an inclusive environment for LGBT individuals, both Stonewall (2016) and the HRC index (2016) suggest that the extension of spousal benefits is critical. Although three of our participating MNEs do provide same-sex partner benefits in their home or regional context, it was clear that the benefits were not extended across all countries and circumstances and this again reflects the duality tension for MNEs and employees in this regard: “There are a few countries in which we unfortunately, so far, cannot provide domestic partner benefits based on based on local circumstances.” – MNE 4, global head of diversity and inclusion

b) Self-identification and voice: MNE 2 is the only company that asks its employees to voluntarily identify their sexual orientation so that it can better serve their needs and try to overcome the challenge of LGBT invisibility. None of the other companies actively monitor their diversity in terms of sexual

orientation. But the participant from MNE 2 indicated the sensitivity of disclosure and the lengths they went to to ensure that it would remain confidential:

“That voluntary self-identification that we have around the world is a major thing too because even for those employees, not everyone is willing to be out. Self-identifying at [the company] does not mean the same as coming out. The only person in the world that they’re actually coming out to, is me - nobody else gets access to that data. So that is convincing enough for a lot of employees to tick that flag in their HR profile knowing that the data is very secure and that nobody has access to it. ... I can invite them to specific events that are of interest to them, all that sort of thing, but I cannot do this as long as I don’t know about them.” – MNE 2, Global LGBT diversity program manager

By allowing employees to disclose their sexual orientation to the company without having to disclose it publicly, the company is actively fostering inclusion and giving voice to previously silenced LGBT employees. This same participant from MNE 2 also indicated that it would not ask employees in countries where homosexuality was punishable by death to disclose their sexuality. They recognized the danger of having that information on file and being forced to give that information out in hostile countries, stating that “safety always comes first.”

c) Employee networks: MNEs 2, 3 and 4 make use of worldwide LGBT support networks (decentralized to the subsidiary level – at least the larger subsidiaries), while two other MNEs (1 and 5) have LGBT support networks organized at the HQ level only. These support networks, sometimes called employee or business resource groups, are voluntary self-organized groups run by employees. These groups provide a forum (both online and offline) which connect LGBT employees and their straight allies within the organization. They are helpful in supporting diversity and in encouraging employees not only to be more open about their sexuality and to support each other, but also to be able

to find support in understanding their rights and to facilitate requests for internal benefits and other LGBT protections.

d) Use of corporate influence: Respondents from two MNEs indicated a willingness and ability to exert corporate pressure on outside entities in order to ensure conformance to the company policy, even if this went against local norms.

“We are a big corporation, we have a lot of influence. With a bit of luck they will actually accept that and do what we ask. [For example], sometimes we are able to persuade the local insurance providers to [recognize same sex partners] and sometimes we will not. [...] If worse comes to worse we may actually say well, you know, then we just don’t do business with you. It’s too bad but we won’t allow this, you need to respect our employees.” – MNE 2, Global LGBT diversity program manager

MNE 2 also extended their diversity policies to include other stakeholders, such as suppliers. They review the stakeholder’s values, policies and procedures before listing them as a service provider.

e) Visible leadership support: The MNEs that had LGBT specific policies also had specific corporate resources dedicated to the implementation of these policies. These were supported by strong and overt championing of the policy by top management.

5 CONCLUSION

The social acceptance and rights of LGBT individuals is a constantly shifting and evolving space. At a global level, MNEs are highly outwardly invested in fostering and promoting inclusivity within their organizations. Research indicates that currently the focus of this inclusivity is on gender and race, and LGBT diversity is still a relatively underdeveloped area for HRM (DeNisi, Wilson, & Biteman, 2014). We find similarly, and for seven of the ten companies examined, LGBT diversity was either

something that had not even been thought about yet, or was not a particular point of focus and certainly not within this context. It is, however, becoming a progressively more important concern internationally, specifically for larger corporations, who wish to engender inclusive environments for their employees encompassing a wide range of minorities.

Figure 1 demonstrates the thematic outcomes of our research as regards MNEs' LGBT HRM practices in their home and host country configurations. Our results demonstrate the *tension between HRM policies at global and host country levels* and this manifested particularly as regards LGBT policies. A clear misalignment was apparent between the more progressive policies designed at a global level, mindful of the company's corporate values, and the enactment of these policies at host country level. Exploring this further demonstrated a potential *clash between core company values and host country norms* resulting in a *deviance of practice* across the locations the MNEs operate in. At the organizational level, our MNEs reconciled this tension through improvised resolutions that did not attempt to solve the ambiguity and this resulted in a type of *synthesis*. At the individual level, this deviance results in a *duality* as LGBT employees make sense of these contradictions which institutionalizes *socially constructed multiple existences and identities*.

INSERT FIGURE 1 HERE

Our research makes several contributions to theory and provides new insights. First, we contribute towards the global configuration literature in international HRM as regards global standardization versus localization of HRM practices. Much of the literature on this topic focuses on developed market economies and our paper responds to the call to examine how a firm's operations in developing countries, where the scale of the cultural and institutional distance is larger, may affect attempts to transfer practices (Almond et al, 2005; Edwards et al. 2016). Unlike Almond et al. (2005, p. 301) we

do not find the “malleability” of host country systems or HR managers willing to risk a legal challenge by overriding local institutions.

This ties in with our second contribution, which is the embedding of this analysis within institutional theory and the studying of “deviant” cases which allows us to provide insights to this debate that may not occur through extant work (Dickmann et al., 2017, p. 2). This “deviance” emerges from two sources, namely the examination of the consistency of HRM practices towards LGBT employees, which tests the standardization policies in a particular manner, and then the second source which is to focus on a context, within Africa, which challenges this standardization even further, given cultural and institutional distance. We find strong evidence of institutional constraints on HRM practices within this context. We demonstrate that whilst some MNEs desired a standardized approach and often had policies which covered global operations, the reality, in practice, was that they were severely constrained by the culture and institutions of host countries. Even the MNEs which had more progressive LGBT policies in place admitted that they were unable to provide the same rights to their employees in LGBT hostile countries - they did not cease to exist (*de jure*) as a policy, but *de facto* were not implementable. Unlike some of the literature which portrays the dichotomous choice for MNEs of standardization versus localization, our MNEs often adopted an improvised resolution that did not attempt to solve the ambiguity. In this way one could argue that the “institutional influences leave a degree of ‘social space’ that organizational actors can exploit” (Almond et al., 2005, p. 301), but we should not overestimate the space allowed for in these “deviant” contexts.

Our third contribution lies in the highlighting of issues of duality within the MNEs within institutionally distant contexts. The duality literature indicates that as a consequence of these contradictions, organizations, through a process of trial and error, experiment and evolve towards a mode of operation. It states that the end goal is not “resolution or reconciliation” but rather about arbitrating the tension and “encouraging an acceptance of ambiguity and contradiction as natural and

legitimate” (Graetz & Smith, 2009, p. 22). Our results demonstrate simultaneously all four strategic responses identified in the literature to these paradoxes, namely our MNEs showed acceptance of these tensions, and were able to keep them spatially separate across the diverse countries that they operated in. Furthermore, they revealed temporal separation as they saw the issue of LGBT rights within the company as a temporal journey and that different subsidiaries were at different points in this journey, and lastly, synthesis, as they seek to accommodate the opposing views through improvisation. One participant expressed these dimensions succinctly:

“I think each country is at a very different stage of their journey, from a country perspective, culture, religion and society but then also every individual in that country is at a different stage and that is as applicable for the UK as it is for Uganda. And I think the challenge for organizations is how to take everybody on a journey regardless of where they are physically as well as were they are personally with the topic and help everyone move towards greater inclusion. And it will look different for everyone because it is such a personal journey.” – MNE 4, global head of diversity and inclusion

Our research shows that this duality manifests across different units of analysis – organizationally and at an employee level with both adopting multiple identities. The MNE responds to local norms by adapting its HRM policies across geographies but given the extremity of the conditions often experienced by the LGBT community in host countries it can result in a fundamental challenge to the corporate values of the organization. LGBT employees are confronted by a hostile country environment with no pretensions to being accommodated, and then face the perplexing contradiction of working in a MNE which purports certain values and has global HRM policies which supposedly protect their rights. Yet they are unable to exercise the same benefits that are available to employees in other parts of the world within the same organization. This form of ‘apartheid’ institutionalizes multiple existences and identities for LGBT employees and results in dualism at both organizational

and employee level. At the identity level, LGBT employees resort to social constructionist approaches to rationalize their experience in these organizations and make sense of these contradictions by adopting multiple identities. These identities manifest in particular time and space as 'required' by organizational conditions. The outcome is that LGBT employees are not able to bring their full selves to work but rather a constructed identity that conforms to the organizational synthesis.

Duality raises the issue of how corporate values are reconciled across distant host countries. Companies spend a significant amount of time and resources in developing and articulating their corporate values not only to differentiate from the competition but also as a rallying point for employees. This leads to a possible conundrum for HR managers who find themselves operating in countries which restrict their ability to exercise their corporate values through their policies. For example, in Saudi Arabia gender segregation is enforced by Starbucks according to local custom, but how does it reconcile this practice with its corporate values which are expressed as: "Creating a culture of warmth and belonging, where everyone is welcome. Acting with courage, challenging the status quo and finding new ways to grow our company and each other. Being present, connecting with transparency, dignity and respect." This is the reality of MNEs' operations in a multitude of countries – the nature of the duality may change from country to country but this 'clash of values' is real and the local sociopolitical context and challenges cannot be underestimated.

Our final contribution, lies in the integration of the above theoretical contributions into the analysis of international HRM of LGBT employees in hostile contexts, and the uniqueness of the subject matter and the context allows for the development of our existing knowledge base and the development of practical contributions in such contexts which we unpack further in the final section. LGBT rights are rapidly rising to the forefront of corporate activism and the pressure is going to mount on MNEs as their corporate values and policies are tested in different countries and human rights activists start calling these companies out for their complicit behavior. There is no easy outcome to this

duality which our research highlights but MNEs are going to have to take a stand and to express their corporate values consistently. We are fast-reaching a time when corporate activism will no longer be extraordinary but be expected and MNEs will have to exploit the social spaces (although the size of the space may change depending on the sociopolitical context) that they can influence and engage in forms of “deviant innovation” (Almond et al., 2005, p. 303).

Recommendations and implications

As companies become more diverse and inclusive, they are more likely to be made aware of the challenges facing LGBT employees within their business. Being committed to their values surrounding fair and equal treatment, and having appropriate policies in place for LGBT employees also positions these companies to not only pre-empt and/or mitigate some of the challenges that might arise, but to also effectively manage them when they do. The following recommendations for MNEs emerge from the findings for companies wishing to develop more LGBT inclusive global HRM environments.

First, LGBT specific principles should be included as part of diversity policies. Seven of the ten MNEs did not have an explicit LGBT policy, and instead argued that they derive their LGBT policies from their generic diversity values, policies and procedures. These participants all expressed confidence that these generic policies more than adequately dealt with any LGBT issues which may arise. But research shows that MNEs with a specific LBGT focus have achieved more in terms of LGBT diversity and inclusion in their companies (Köllen, 2016). Our research indicates a dissonance between the “perception of implementation” and the actual implementation in the MNEs that rely on generic policies.

Second, ensure that senior leaders are seen to champion LGBT equality. Third, MNEs should champion LGBT equality in countries where they are based but remain mindful of the contextual challenges. This may include supporting local NGOs which promote in-country gay equality and

extending their policies to include other external stakeholders such as suppliers. By implementing this approach, MNEs will not only reinforce their visible commitment to non-discrimination, they will also increase their own momentum of inclusivity.

Lastly, MNEs should adopt a “journey” philosophy. Above we quote a respondent who refers to the fact that countries, companies, and individuals are all at different points in this journey to promote LGBT inclusivity in the workplace and that a one size fits all tactic may not be appropriate. Nonetheless, a journey implies a directed, purposeful approach requiring a long-term, proactive commitment of going on a journey as opposed to expedient or non-existent policies. Any LGBT initiative that is implemented by a MNE should be designed as a multi-faceted program that can operate at different levels, in different environments, and on different timelines. In other words, there is no denying the challenges associated with sociopolitical contexts and a MNE must manage these multiple journeys with a directed purpose. This provides HR managers with particular challenges when operating in such extreme and disparate environments.

Limitations and future research

The research was limited by the number of MNEs willing to participate because of the sensitivity of LGBT issues within the African context. Furthermore, the study was conducted across eight different industry sectors and it is not possible to draw any inferences about how LGBT concerns differed across sectors. Some industries are considered more heteronormative than others (for example mining) and it would be of value to repeat this study with a restriction to particular sectors to unpack this further. We therefore caution against generalizing our findings across all areas of HRM practices. Nonetheless, this is the first paper, to our knowledge, that has addressed this issue within international HRM in the African context and the results may carry import to other contexts and more broadly to the global configuration literature in institutionally distant host countries.

Secondly, the MNE responses focused on lesbian and gay employees despite our prodding for the wider LGBT community and a more explicit focus on bisexual and transgender employees should be pursued (see Beauregard et al. 2016; Ozturk & Tatli, 2016).

The most important limitation of our research is that we did not interview and deliberately interact with LGBT employees in the host countries. This could potentially have exposed these employees to dangerous repercussions and we therefore restricted the purpose of our research to avoid this. But even so our results suggest a duality at both a corporate and individual level, although our focus was on the former. We need to comprehend how LGBT employees in hostile host country environments reconcile their experience of company values within these contexts - how they see the paradox of global policies that may explicitly protect their rights, but having to remain invisible because of local norms and the lack of local protections within the same MNE. How they manage this inconsistency through socially constructed multiple identities, within changing contexts, is an important area for future research.

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Figure 1: Thematic summary of the MNEs' LGBT HRM practices: global versus host country configurations

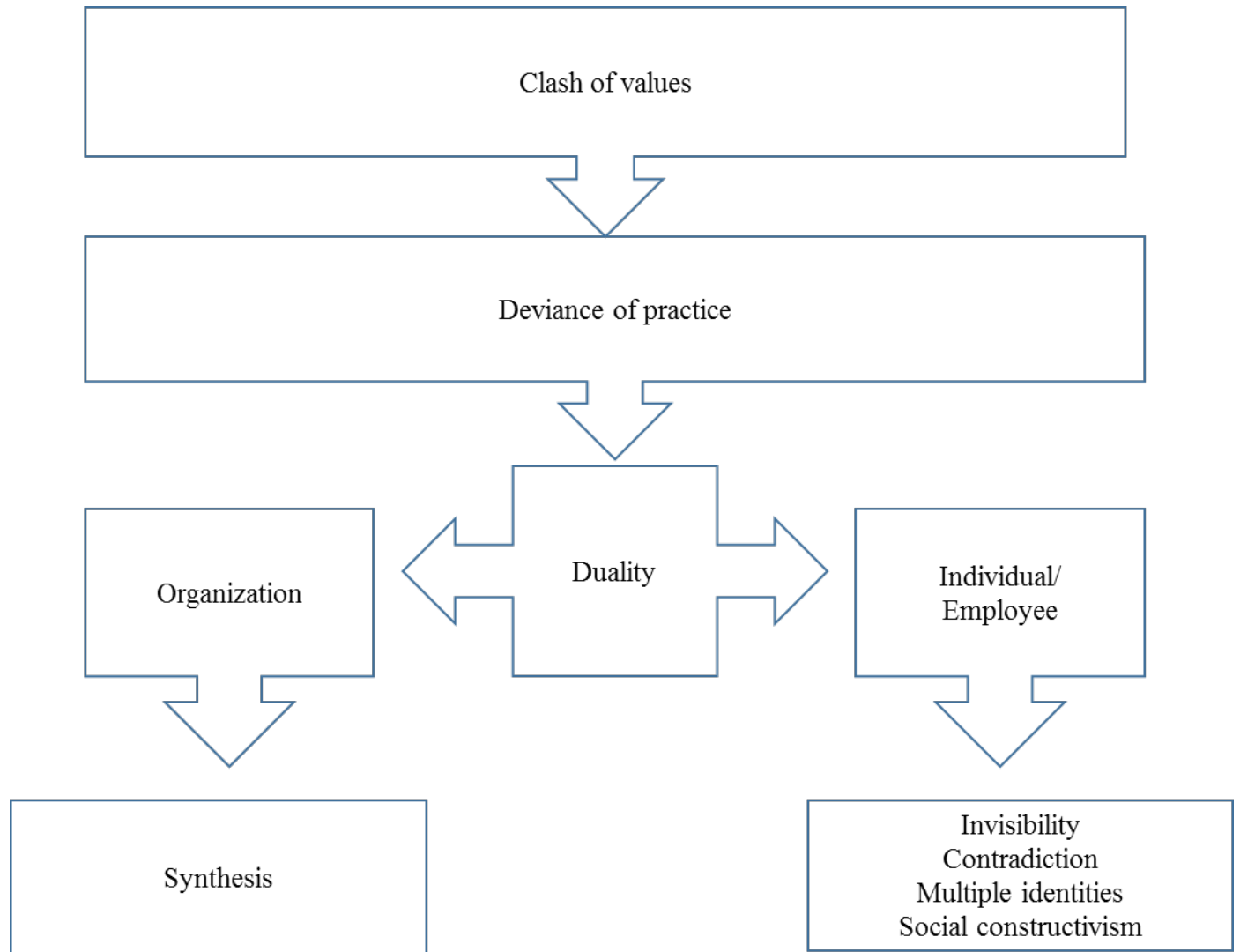


Table 1: Countries in which LGBT rights are legal, illegal or where only limited rights exist

LGBT right	Legal	Some rights/protection	Illegal/no protection or law is unclear
Consensual sex	151	0	79
Workplace non-discrimination	43	23	164
Marriage	17	23	190
Adoption by same sex couples	20	7	203
Protection against hate crimes	26	14	190

Source: ILGA, 2015

Table 2: Profile of participants

MNE	Sector	Countries of Operation	No. of Employees	Position of Participants
MNE 1	Transportation & logistics	220	480 000	Global International Assignment Consultant Head of HR for West Africa (Senegal based) Head of HR for East Africa (Kenya based)
MNE 2	Technology	170	430 000	Global LGBT diversity program manager
MNE 3	Banking & financial services	71	98 000	Co-chair of the company LGBT network
MNE 4	Banking & financial services	70	86 000	Global head of diversity & Inclusion
MNE 5	Food & Beverage	80	70 000	Global Head of HR Head of HR for Africa (South Africa based) Head of HR for Uganda

				MD of Ugandan operation, and former MD of Ghanaian operation
MNE 6	Banking & financial services	32	48 000	Head of HR for Africa (South Africa based)
MNE 7	Oil & Gas	100	36 000	Business director for Sub-Saharan Africa (South Africa based)
MNE 8	Paper & Packaging	31	26 000	Head of diversity South Africa
MNE 9	Telecommunication	22	17 000	Global chief of HR
MNE 10	Automotive & logistics	15	11 000	HR manager South Africa

Appendix One: Interview Guides

Global HR/Diversity Manager

1. Before we get into LGBT specifics, can you tell me how your HR policies are structured? Are local policies based on global HR policies, and if so to what extent, or are you more decentralized allowing the local firm to develop their own policies entirely based on the country specific context?
2. Could you tell me a bit about your company's general approach to diversity and what you are doing to foster diversity within the company at both a global and local level?
3. Could you explain the legislative and social environment in this country with regards to LGBT individuals?
 - a. Does that environment inform your company's values with respect to LGBT employees?
 - b. How LGBT friendly do you think your work environment is?
4. Do you have any LGBT employee specific provision/processes/protections in your global HR policy documents?
 - a. [Ask the participant to explain any practices of interest in more detail]
 - b. [If so] Are those LGBT policies/practices ever considered or transferred to local operations, and if so, to what extent is that determined by the specific cultural/legal context of the host country?

- c. [If there are no formal LGBT policies] Does the company have any tacit LGBT policies such as non-discrimination based on sexual orientation? How is this policy translated in a local context where it is illegal to be gay or lesbian?
- 5. What challenges or obstacles, if any, have you faced with regards to LGBT employees (for example discrimination) in your company, and how have you dealt with them?
 - a. [If the company has experienced challenges try to unpack the challenges, get to the implications for the employee and the company as well as how the situation was handled, and if it would be done differently in future]
- 6. [Pose theoretical challenges that the company could face, and ask how the participants feel they might be dealt with]
 - a. Challenges to pose:
 - i. Employee being reported to country regulators for LGBT behavior that is deemed to be illegal in the host country. Explore ramifications of reputation, operating licenses, discrimination.
 - ii. An employee (local or expatriate) reporting discrimination/harassment in a local environment.
 - iii. An employee (expat or local) asking for same sex partner benefits such as pension, medical or leave related partner benefits that are available to heterosexual employees locally or LGBT employees at a global level
- 7. Does your company use expatriates or send employees to other countries for training?
 - a. How are expatriates selected? Is there a screening process or is it based on talent? Would sexual orientation ever be a consideration?

- b. Do you provide cultural or pre-departure training to these employees regarding the country they will be entering?
 - i. [If so] Does this training include information about the legal or social climate with respect to LGBT individuals?
 - c. [Ask about duty of safety to employees vs sending the best talent]
 - d. [Probe about how theoretical challenges (if they have not yet been encountered) may be handled such as partners and children, cultural clashes with locals, evacuation]
8. Do you think LGBT diversity is going to become increasingly important for multinationals?

Regional or Local HR/Diversity Manager

- 1. Could you tell me a bit about your company's general approach to diversity and what you are doing to foster diversity within the company?
- 2. How important is the local cultural/legal climate with regards to HR policy formulation?
- 3. Could you explain the legislative and social environment in this country with regard to LGBT individuals?
- 4. [If there is global LGBT-specific policy that global feels is translated] Do you have any policy/practices that relate to LGBT individuals?
- 5. Have you ever experienced any challenges with regards to LGBT employees (both local employees and expats)?
 - a. [If so] How have they been handled?

6. How friendly do you think your company's work environment is to LGBT individuals?
 - a. If an employee were to disclose their sexual orientation how do you think it would be received, and how would they be treated by other members of staff moving forward?
7. [If no policy documents have been provided]
 - a. Do you have any LGBT employee specific provision/processes/protections in your global HR policy documents?
8. If discrimination, harassment, intolerance, violence, or unfair dismissal based on sexual orientation was experienced in your operation do you think it would be reported?
 - a. If so how would it be handled by the HR department?
9. [Pose theoretical challenges that the company could face, and ask how the participants feels they might be dealt with]
 - a. Challenges to pose:
 - i. An employee (local or expatriate) reporting discrimination/harassment.
Explore how the conflict between the company's zero tolerance policy towards discrimination vs the implications of disciplining/dismissing an employee for something that is illegal in the host country
 - ii. An employee (expat or local) asking for same sex partner benefits such as pension, medical or leave related partner benefits that are available to heterosexual employees locally or LGBT employees at a global level

- iii. Expatriate challenges such as such as partners and children, cultural clashes over sexual orientation with locals, evacuation

9. Do you think LGBT diversity is going to become important for your company?

ⁱ Lencioni (2002, p. 115) explains that core values are “the deeply ingrained principles that guide all of a company’s actions; they serve as its cultural cornerstones” and are “the source of a company’s distinctiveness.”

ⁱⁱ See McPhail & Adams (2016) for a discussion on how respect for human rights is developing within corporations based upon the United Nation’s business and human rights agenda. They state that the “corporate discourse is one of promoting, realizing and upholding rights that construct the corporation as an autonomous source of power beyond the state” (p. 650). A full discussion on the nature of human rights lies beyond the scope of this paper but include civil and political rights, basic socio-economic rights, and potentially collective developmental rights focused on peoples and groups - the rights of every human being necessary for allowing for the general possibility of realization of the purposes of human action (see Preuss & Brown, 2012, p. 289).

ⁱⁱⁱ By diversity we refer to any dimension that can be used to differentiate humans including (but not limited to) race, ethnicity, gender, sexual orientation, age, social class, physical attributes, religion, and national origin. By inclusion we refer to organizational practices that involve and empower and treat equally those with different backgrounds and respects their inherent worth.

^{iv} There is a large evidence base that shows the gap between HRM policy and practices (Dickman et al., 2009; Edwards et al., 2013) and this is a limitation of our research although we are able to demonstrate that gap by showing the inconsistency of the application of global policies at local level.